

MEETING NO. 4149
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, FEBRUARY 24, 2016

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ONE DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee/Interim Vice-Chair
Lou Hatty	Trustee
Eric Higgs	Trustee
Felicia Johnson	Trustee
June Nickleberry	Trustee
Thomas Sheehan	Trustee/Interim Chair
David Szymanski	Ex-Officio Trustee/City Treasurer

TRUSTEES EXCUSED

None

TRUSTEES ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Deborah A. Wilkerson	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
Rita Coats	Recording Secretary

INTERIM CHAIR

THOMAS SHEEHAN

The Board's Recording Secretary took a verbal Roll Call at 10:17 a.m. and Interim Chair Sheehan called the meeting to order.

Present at Roll Call: Lori Cetlinski, Tasha L. Cowan, Lou Hatty, Eric Higgs, June Nickleberry, Thomas Sheehan and David Szymanski.

Interim Chair **Thomas Sheehan** opened the meeting for public discussion:

Mr. Maurice Sanders, on behalf of his wife, Rosalind Sanders (Disabled), addressed the Board regarding the following:

- Service Credit
- **Trustee Wendell Anthony** entered the board meeting at 10:25 a.m.
- **Trustee Scott Benson** entered the board meeting at 10:30 a.m.

Mr. John Cato, Retiree, addressed the Board regarding the following:

- Service Credit

~Concludes Public Comment~

- **Trustee Felicia Johnson** entered the board meeting at 11:01 a.m.

PRESENTATION:

Banyan Realty Advisors

Mr. Lou Vogt, of Banyan Realty, appeared before the Board to give an update on General's Fourth Quarter 2015 Reports/Portfolio of the following assets:

- The Shops at Detroit's Gateway Park; Detroit, Michigan
- Kona Oasis & Terraces at Kahalu'u, Kailua-Kona, Hawaii
- Fort Shelby Hotel
- ICG Leaseback

~Concludes Presentation~

- **Trustee Anthony, Nickleberry and Cetlinski** stepped away from the board meeting at 11:55 a.m.

Re: Service Retirement(s)

Motion By: Trustee Hatty - Supported By: Trustee Szymanski

RESOLVED, that the application(s) for **SERVICE RETIREMENT** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Melvin Cockroft – Security Officer – Water & Sewerage
SERVICE CREDIT	12-0
EFFECTIVE DATE	01-21-16
NAME, TITLE, DEPARTMENT	Godwin I. Odoemelam – Maintenance Techn – Water & Sewerage
SERVICE CREDIT	11-10
EFFECTIVE DATE	01-23-16
NAME, TITLE, DEPARTMENT	Srinivasa Prasad – Spec Proj Techn – Water & Sewerage
SERVICE CREDIT	19-07
EFFECTIVE DATE	01-29-16
NAME, TITLE, DEPARTMENT	Debra Ragland – Prof Admin Analyst - Water & Sewerage
SERVICE CREDIT	28-09
EFFECTIVE DATE	02-11-16
NAME, TITLE, DEPARTMENT	Andrew Ross – Team Leader – Water & Sewerage
SERVICE CREDIT	28-10
EFFECTIVE DATE	02-10-16
NAME, TITLE, DEPARTMENT	Vinod Sharma – Engineer – Water & Sewerage
SERVICE CREDIT	31-06
EFFECTIVE DATE	02-05-16
NAME, TITLE, DEPARTMENT	Donovan R. Walton – Exec Management Team – Water & Sewerage
SERVICE CREDIT	31-10
EFFECTIVE DATE	02-06-16

Re: Service Retirements – (Con't)

Yea: Benson, Cowan, Hatty, Higgs, Johnson, Sheehan and Szymanski – 7

Nay: None

Re: Early Retirement(s)

Motion By: Trustee Hatty - Supported By: Trustee Szymanski

RESOLVED, that the application(s) for **EARLY RETIREMENT** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Lemont Boyd – Maintenance Techn – Water & Sewerage
SERVICE CREDIT	27-06
EFFECTIVE DATE	01-25-16
NAME, TITLE, DEPARTMENT	Frank Czyz – Elec Instr Ctrl Tech – Water & Sewerage
SERVICE CREDIT	26-06
EFFECTIVE DATE	01-27-16
NAME, TITLE, DEPARTMENT	Mathew Mangatt – Manager – Water & Sewerage
SERVICE CREDIT	26-09
EFFECTIVE DATE	01-27-16
NAME, TITLE, DEPARTMENT	Lisa Yvonne Rasheed-Miller – Office Support Spec – Water & Sewerage
SERVICE CREDIT	24-11
EFFECTIVE DATE	02-02-16
NAME, TITLE, DEPARTMENT	Jorge Nicolas – Engineer – Water & Sewerage
SERVICE CREDIT	23-06
EFFECTIVE DATE	02-02-16
NAME, TITLE, DEPARTMENT	Zanetta Stewart – Team Leader – Water & Sewerage
SERVICE CREDIT	27-06
EFFECTIVE DATE	02-11-16

Yea: Benson, Cowan, Hatty, Higgs, Johnson, Sheehan and Szymanski – 7

Nay: None

Re: Change of Effective Date

Motion By: Trustee Hatty - Supported By: Trustee Szymanski

RESOLVED, that the application(s) for **CHANGE OF EFFECTIVE DATE** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Dennis Church – Maint Tech – Water & Sewerage
SERVICE CREDIT	10-10
FROM:	02-04-16
TO:	01-04-16

Yea: Benson, Cowan, Hatty, Higgs, Johnson, Sheehan and Szymanski – 7

Nay: None

Re: Receipts

The receipts which are referenced below were **Acknowledged**:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
2/15/16 - 2/19/16			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
Meeting No. 4149			
February 24, 2016			
RECEIPTS			
NOB HILL	02/16/16	Distribution	78,847.37
FIRST INDEPENDENCE BANK	02/16/16	Loan Deductions	42,267.15
COBO CENTER	02/16/16	Pension Contributions	3,428.16
COBO CENTER	02/16/16	Annuity Contributions	1,861.02
CITY OF DETROIT	02/16/16	Weekly Mandatory Pension Contribution	87,429.36
CITY OF DETROIT	02/16/16	Weekly Annuity Contribution	60,364.25
		TOTAL RECEIPTS	\$ 274,197.31

GENERAL RETIREMENT SYSTEM
CITY OF DETROIT

MEETING NO. 4149
FEBRUARY 24, 2016

Re: Fees and Expenses

Resolution Moved By: Trustee Hatty - Supported By: Trustee Johnson

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses; **THEREFORE BE IT**

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

PAYEE	DATE	INVOICE NO.	DESCRIPTION	AMOUNT
MANAGEMENT FEES:				
GRANTHAM, MAYO, VAN OTTERLOO & CO. LLC	2/3/2016	4Q15	Management Fees- 4th Qtr '15	\$104,674.53
MACKAY SHIELDS LLC	2/18/2016	17659	Management Fees - 4th Qtr '15	\$64,228.91
MACKAY SHIELDS LLC	11/23/2015	17047	Management Fees - 3rd Qtr '15	\$65,150.05
Subtotal				\$234,053.49
LEGAL FEES:				
RACINE & ASSOCIATES	1/26/2016	11926	DGRS v. Capozzoli - 11/1/15-11/30/15	\$52,230.63
RACINE & ASSOCIATES	1/26/2016	11927	DGRS v. Capozzoli - 12/1/15-12/31/15	\$50,813.28
Subtotal				\$103,043.91
ADMINISTRATIVE EXPENSES:				
ADP, INC	2/12/2016	468746724	Check Printing Services	\$543.60
BLOOMBERG FINANCE LP	1/25/2016	5603211132	Subscription: Bloomberg Anywhere 11/24/15-4/20/16	\$7,253.50
CANON SOLUTIONS AMERICA, INC	2/12/2016	4018322775	Computer Equipment & Services: Copier Maintenance	\$68.25
COMCAST	2/14/2016	021416	High-Speed Internet	\$132.17
FEDEX	2/17/2016	5-322-94186	FedEx Mailings	\$27.73
HUDSON & MUMA, INC	2/23/2016	386769	Travel Insurance 2/28/16-2/28/17	\$4,050.00
NCPERS	2/19/2016	5464	Membership Renewal: thru 12/31/16	\$1,000.00
OFFICE DEPOT	2/16/2016	824323789001	Office Supplies	\$299.81
OFFICE DEPOT	2/16/2016	824323790001	Office Supplies	\$2.99
QUILL CORPORATION	2/1/2016	3367776	Office Supplies	\$13.04
QUILL CORPORATION	2/1/2016	2952248	Office Supplies	\$14.84
QUILL CORPORATION	2/1/2016	2879711	Office Supplies	\$149.89
STAFF WAGES	2/21/2016		Staff Wages for 1/19/16 - 2/21/16	\$38,363.73
Subtotal				\$51,919.55
OTHER EXPENSES:				
ARMELLA J NICKLEBERRY-CLARK	2/22/2016	022216	Trustee Parking	\$40.00
REGINALD E. ONEAL	2/15/2016	021816	Medical Examinations	\$270.00
Subtotal				\$310.00
PAYEE	DATE	INVOICE NO.	DESCRIPTION	AMOUNT
Total Disbursements for Board Approval				\$389,326.95

Yea: Benson, Cowan, Hatty, Higgs, Johnson, Sheehan and Szymanski – 7

Nay: None

➤ *Trustee Anthony, Cetlinski and Nickleberry rejoined the board meeting at 12:05 p.m.*

Re: Refunds of Accumulated Contributions

Motion By: Trustee Hatty - Supported By: Trustee Szymanski

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on **List No. 7246** in the amount of **\$1,167,563.19** including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting staff.

Yea: Anthony, Benson, Cetlinski, Cowan, Hatty, Higgs, Johnson, Nickleberry, Sheehan and Szymanski – 10

Nay: None

Re: Employee Loan Program

Motion By: Trustee Hatty – Supported By: Trustee Johnson

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of **\$31,315.00**, including interest, be hereby **APPROVED**.

Yea: Anthony, Benson, Cetlinski, Cowan, Hatty, Higgs, Johnson, Nickleberry, Sheehan and Szymanski – 10

Nay: None

Re: Minutes/Journal No. 4142

Motion By: Trustee Cetlinski – Supported By: Trustee Benson

RESOLVED, that the Minutes/Journal of Proceedings, Meeting No. 4142 of the meeting of the Board of Trustees of the General Retirement System of the City of Detroit, held Wednesday, January 6, 2016, be hereby **APPROVED** as recorded and submitted.

Yea: Anthony, Benson, Cetlinski, Cowan, Hatty, Higgs, Johnson, Nickleberry, Sheehan and Szymanski – 10

Nay: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, Deborah A. Wilkerson, turned the report over to Ms. LaMonica Arrington-Cabean, Retirement Systems' Manager, whom will be replacing Ms. Wilkerson, presented the following for discussion:

- Update re: One Detroit Garage Parking – 2/25/16 thru 3/15/16

~Concludes Assistant Executive Director's Report~

EXECUTIVE DIRECTOR'S REPORT

Nothing to report for this week's meeting.

CHIEF INVESTMENT OFFICER'S REPORT

Nothing to report or any actionable items for this week's meeting.

DISCUSSION:

Re: UHY Presentation

Police & Fire Retirement System approved UHY. General would like to look into other proposals regarding the Systems' technology. This matter will be brought back for further discussion.

Re: General Retirement System Board Meetings

Motion By: Trustee Szymanski – Supported By: Trustee Cetlinski

RESOLVED, that the Board's motion regarding the General Retirement System's Board Meeting twice a month, which was tabled on January 6, 2016, be removed from the Table.

Yea: Anthony, Benson, Cetlinski, Cowan, Hatty, Higgs, Johnson, Nickleberry, Sheehan and Szymanski – 10

Nays: None

RE: GENERAL RETIREMENT SYSTEM PROPOSED 2016 MEETING SCHEDULE

RESOLUTION MOVED BY: TRUSTEE CETLINSKI – SUPPORTED BY: TRUSTEE HIGGS

WHEREAS, the Board of Trustees has decided to modify its Policy of Meeting Weekly on Wednesdays, and

WHEREAS, based upon the findings and discussion by the Board of Trustees, the foregoing Proposed Meeting Schedule is Approved; **THEREFORE BE IT**

RESOLVED, that the following meeting dates with the understanding that the 2016 Schedule can be Modified by the Board of Trustees on an as-needed basis, and further be it

RESOLVED, that the General Retirement System will meet on a Trial Basis, the 1st and 3rd Wednesday of each month until the end of June, 2016 as follows:

2016 MEETING DATES

MARCH 2, 2016

MARCH 16, 2016

APRIL 6, 2016

APRIL 20, 2016

MAY 4, 2016

MAY 18, 2016

JUNE 1, 2016

JUNE 15, 2016

and be it further

RESOLVED, that a copy of this resolution be forwarded to all Retirement System's staff, Special Legal Counsels, Investment Committees, Investment Managers, Advisors, Consultants, and a copy shall be posted online and at the Coleman A. Young Municipal Center.

Yea: Anthony, Benson, Cetlinski, Cowan, Hatty, Higgs, Johnson, Nickleberry, Sheehan and Szymanski – 10

Nay: None

Re: Employee Benefit Plan ("EBP")

The EBP Governing Board will meet on the 3rd Wednesday of each month at 9:00 a.m.

GENERAL COUNSEL'S REPORT

General Counsel, **Michael VanOverbeke**, submitted a legal report for discussion:

- Ethics Policy
The Board was given a revised version of the Board's Ethics Policy to review for adoption regarding "Confidential Information".
- Life Assurance Fund Settlement - (FYI)
Payment has come through for General and Police & Fire
- Ordinance re: Declaration of Board Vacancy
Whether Trustee Lou Hatty/Felicia Johnson could continue to serve as a Trustee to the Board?

Re: Vacated Seat – Lou Hatty

Motion By: Trustee Anthony – Supported By: Trustee Szymanski

Motion to declare seat vacant upon the declaration of the Board, if appropriate employment is not obtained by Lou Hatty as of March 16, 2016.

Yea: Anthony, Benson, Cowan, Johnson and Szymanski – 5

Nay: Cetlinski, Higgs, Nickleberry and Sheehan – 4

Abstention: Hatty - 1

- Trustee Felicia Johnson's status will be brought back for discussion at next week's board meeting, March 2, 2016.
- Election of Vacant Seat Timeline
Nominations in by February 12th, posting went out in error. Posting will be after March 11th.

~Concludes General Counsel's Report~

NEW/OLD BUSINESS

- Media inquiry – re: Mayor Duggan's comment regarding pension shortfall.
- Update – re: VEBA Board foundation

ADJOURNMENT

There being no further business before the Board, **Interim Chair Sheehan** adjourned the meeting at 1:48 p.m. The Board's next meeting is scheduled for **Wednesday, March 2, 2016**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



DEBORAH A. WILKERSON
ASSISTANT EXECUTIVE DIRECTOR